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Admin file

RIO ALGOM MINING CORP.

La Sal Route
MOAB, UTAH 84532

Phone: (801) 259-5904

February 17, 1988

RECEIVED
FEB 22 1988

DIVISION OF
OIL, GAS & MINING

Dr. Dianne R. Nielson, Division Director
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 305
Salt Lake City, Utah 84180-1203

Re: Cessation of Lisbon Mine and Milling Operations
by Rio Algom Mining Corp.

Dear Dr. Nielson:

Please be advised that on or about April 30, 1988, Rio Algom Mining Corp. ("RIO") will permanently cease, complete and terminate all mining operations at this Lisbon Mine. Additionally, on or about May 31, 1988 RIO will indefinitely suspend all milling operations and activities at its Lisbon Mill, including any new or additional deposition of tailings in its tailing pond. Upon this cessation and termination of mine operations, RIO will no longer take the steps necessary to maintain its current underground mine workings.

Upon termination, RIO will commence to reclaim the underground portions of its Lisbon mine pursuant to the requirements imposed under its reclamation plan filed with the Utah Division of Oil Gas and Mining.

The suspension by RIO of its Lisbon Milling operations and activities is not expected to exceed five (5) years in length before milling operations and activities could recommence. Thus, the suspension by RIO of its milling operations and activities, including tailings deposition, is a temporary suspension.

Dr. Dianne R. Nielson
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We look forward to working with you and your staff as RIO commences its underground mine reclamation obligations.

Very truly yours,

A handwritten signature in dark ink, appearing to read "M. D. Lawton". The signature is stylized with a large initial "M" and a long, sweeping horizontal stroke at the end.

M. D. Lawton, President
Rio Algom Mining Corp.

MDL/dj

cc: J. G. Littlejohn
K. Winterholler
File